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## TELEGRAM

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PAGE 01 BEIJIN 00190 01 OF 04 070803Z

INFO QCT-01 EUR-12 MEA-06 ADS-00 CIAE-00 DODE-00 PH-07 H-01 INR-10 MSAE-00 MSC-05 PA-01 SPRS-02 SP-02 SS-15 ICA-11 AIT-02 IQ-14 TRSE-00 /101 W

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C O N F I D E N T I A L SECTION 1 OF 4 BEIJING 0190

CINCPAC FOR POLAD

E.Q. 12065: RDS3 1/6/91 (WOODCOCK, LEONARD) OR-M TAGS: PEPR, CH SUBJECT: CHINA ESSAYS NO. 9: THE EVOLVUING CHINESE WORLD VIEW

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2. SUMMARY. EVENTS IN AFGHANISTAN AND KAMPUCHEA HAVE REINFORCED DEVELOPMENTS IN SINO-U.S. RELATIONS AND CHINA'S DOMESTIC SWING TOWARD MORE MODERATE AND PRAGMHATIC POLICIES TO PRODUCE A MAJOR SHIFT IN CHINA'S GLOBAL CONFIDENTIAL

PAGE 02 BEIJIN 00190 01 0F 04 070803Z

VIEW IN A DIRECTION FAVORABLE TO U.S. INTERESTS.

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THE PRE HAS QUIETLY ABANDONED THE THREE WORLDS HODEL AND IS NOW STRESSING THE FORMATION OF A BROAD UNITED FRONT OF MODERATE THIRD WORLD COUNTRIES, THE UNITED STATES, WESTERN EUROPE AND JAPAN AGAINST SOYIET EXPANSIONISH. THIS APPROACH HAS INVOLVED DRAWING A HORE DISTINCT LINE BETWEEN ANTI AND PRO-SOVIET FORCES IN THE THIRD WORLD AND A MORE HOPEFUL VISION OF THE LONG TERM PROSPECTS FOR PEACE. THE CHINESE SEE! THEHSELVES FOR THE FORESEEABLE FUTURE AS ESSENTIALLY A REGIONAL POWER CONTRIBUTING SIGNIFICANTLY TO A WORLD BALANCE THAT DEPENDS IN LARGE PART ON THE U.S. AND WESTERN COHENSIONS BUT SELF-SUFFICIENCY, IN DEFENSE AS WELL AS IN ITS ECONONY REHAINS A FUNDAMENTAL PRC POLICY. FURTHER DEVELOPMENT OF PRC FOREIGN POLICY ATTITUDES WILL DEPEND UPON A COMPLEX OF DOMESTIC AND EXTERNAL FACTORS. INCLUDING U.S. POLICY TOWARD TAIWAN, END SUMMARY.

J. CHINA'S FOREIGN POLICY ORIENTATION TOWARD THE WEST HAS INCREASINGLY SOLIDIFIED OVER THE PAST DECADE. AS INITIALLY CONCEIVED IN THE EARLY 1970'S. RAPPROACHEMENT WITH THE U.S., JAPAN AND WESTERN EUROPE WAS INTENDED TO PROVIDE A COUNTERWEIGHT TO GROWING SOVIET PRESSURES ON CHINA WHILE CREATING AN ATHOSPHER HORE CONDUCIVE TO THE SETTLEMENT OF CONFLICT IN INDOCHINA. DOMESTICALLY, THIS WOLD ALLOW BEIJING TO CONCENTRATE SCARCE RESOURCES ON HODERNIZATION. GLOBALLY IT WOULD ENCOURAGE THE U.S. TO SHIFT ITS ATTENTION TO SOVIET AMBITIONS IN THE MID EAST AND EUROPE.

4. THIS MAJOR SHIFT IN CHINA'S FOREIGN POLICY WAS THEORETICALLY GIRDED BY THE NOTION OF THE "THREE CONFIDENTIAL CONFIDENTIAL

PAGE 03 BEIJIN 00190 01 0F 04 070803Z

WORLDS." THE MAJOR DYNAMIC OF THIS HODEL WAS THE ANTITHESIS THAT EXISTED BETWEEN THE DEVELOPING COUNTRIES INCLUDING CHINA ON THE ONE HAND AND THE TWO SUPERPOWERS ON THE OTHER. THE SECOND WORLD OF OTHER INDUSTRIAL NATIONS ALSO SHARED A COHMON INTEREST IN OPPOSIING SUPERPOWER EXPLOITIATION AND DOMINATION. BECAUSE THE TWO SUPERPOWERS WERE PICTURED AS CONTENDING AS WELL AS COLLUDING WITH ONE ANOTHER, A TACTICAL AND EXPEDIENT LINK WITH TE DECLINING POWER--THE U.S.--WAS JUSTIFIED.

#### CONFIDENTIAL

5. GONESTIC AS WELL AS INTERNATIONAL DEVELOPMENTS OVER THE PAST FEW YEARS, HOWEVER, HAVE RESULTED IN A MAJOR TRANSFORMATION OF THIS WORLD VIEW, BRINGING IT INTO CLOSER ALIGNMENT WITH U.S. NATIONAL INTERESTS.

6. THE DEATH OF MAD IN SEPTEMBER 1976, THE SUBSEQUENT FALL FROM GRACE OF CULTURAL REVOLUTION RADICALS, AND THE CONTINUED CONSOLIDATION OF POWER BY THE PRAGMATIC MODERATES UNDER THE LEADERSHIP OF DENG XIAOPING HAVE FUNDAMENTALLY ALTERED THE DOMESTIC FRANCHORK WITHIN

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#### CONFIDENTIAL

CONFIDENTIAL

PAGE 01 BEIJIN 00190 02 OF 04 070804Z ACTION EA-12

INFO OCT-01 EUR-12 NEA-06 ADS-00 CIAE-00 DODE-00 PM-07 H-01 INR-10 NSAE-00 NSC-05 PA-01 SPRS-02 SP-02 SS-15 ICA-11 AIT-02 IO-14 TRSE-00 /101 H

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C O N F I D E N T I A L SECTION 2 OF 4 BEIJING 0190

CINCPAC FOR POLAD

WHICH CHINESE FOREIGN POLICY IS DETERMINED AND EXPLAINED. THE CURRENT LEADERS HAVE FEW IDEOLOGICAL QUALNS ABOUT CLOSE TIES TI THE U.S. AND THE WEST, AND THEY PERCEIVE LITTLE NEED TO FIND IDEOLOGICAL JUSTIFIC-CATIONS FOR THEIR "REAL POLITIC" POLICIES. IN ADDITION, THE PROIROTU ATTACHED BY CHINA TO MODERNIZATION GIVES IMPORTANT WEIGHT TO ECONOMIC LINKS AND TECHNOLOGICAL AND CAPITAL TRANSFERS FROM THE FREE MARKET ECONOMIES. THE NORMALIZATION OF RELATIONS WITH THE U.S. IN JANUARY 1979 ALSO HAS REMOVED A BASIC CONSTRAINT, CONFIDENTIAL

PAGE 02 REIJIN 00190 02 OF 04 070804Z

ALLOWING A LESS AMBIGUOUS PARTNERSHIP WITH THE U.S.

7. THIS TREND WAS REINFORCED BY DEVELOPMENTS IN CONFIDENTIAL

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KAMPUCHEA AND AFGHAHISTAN OVER THE LAST TWO YEARS, WHICH SET BACK THE PRC'S HOPES FOR A PEACEFUL ENVORONMENT IN ASIA, TURNED CHINA'S SOUTHERN AND WESTERN TIERS INTO ARENAS OF FIERCE CONTENTION WITH SOVIET "HEGENONISH.", AND HADE HORE VIVID IN CHINESE EYES THE IMAGE OF SOVIET PINCERS CLOSING AROUND CHINA'S UNDERBELLY. CHINESE LEADERS AND STRATEGIC THINKERS APPEAR CONVINCED THAT CONSISTENT WITH HOSCOW'S GRAND, PLAN AND TRADITIONAL RUSSIAN IMPERIALIST AMBITIONS, MOMENTUM, INCLINATION, AND OPPORTUNITY ARE PROPELLING THE SOVIET EMPIRE, SOUTHWARD TOWARD WARN WATERS, THE ENERGY SOURCES OF EUROPE AND JAPAN, AND HORE DIRECT INVOLVENENT IN AREAS OF PARAMOUNT CHINESE INTEREST.

8. FOR SOME YEARS, THE CHINESE CHARACTERIZED SOVIET POLICY AS ONE OF "FEINT TO THE EAST AND ATTACK TO THE WEST." PRC SPOKESHEN STILL ASSERT THAT EUROPE IS THE KEY OBJECTIVE OF SOVIET EXPANSIONISM. AND THEY POINT TO THE POLISY CRISIS AS UNDERSCORING THE PRIORITY THT MOSCOW GIVES TO EUROPEAN DEVELOPMENTS. NEVERTHELESS. THEY NOW TELL WESTERN LEADERS THEY DO NOT FORESEE A. HEAR OR EVEN MID-TERM SOVIET ATTACK AGAINST EITHER EUROPE OR CHINAL INSTEAD MOSCON IS CURRENTLY FOCUSING ON A "SOUTHERN STRATEGY" DESIGNED TO OUTFLANK EUROPE AND SECURE HEGENONY OVER AN ARC THAT STRETCHES FROM SOUTHEAST ASIA TO THE HIDEAST. ONCE HAVING ACHIEVED THIS OBJECTIVE. ACCORDING TO CHINESE ANALYSTS, THE SOVIETS WILL CONTROL THE LIFELINE OF BOTH EUROPE AND JAPAN. AND CAN THEN PROCEED TO THEIR ULTIMATE GOAL: FINLANDIZATION AND DOMINATION-OF WESTERN EUROPE. CONFIDENTIAL CONFIDENTIAL

PAGE 03 BEIJIN 00190 02 0F 04 070804Z

9. THE CHINESE PERCEIVE THE INTERNATIONAL EFFORT TO DEFEAT THIS SOVIET STRATEGY AS A LONG TERM ONE. TO COUNTER IT THEY NOW EMPHASIZE THE NEED FOR UNITY, AMONG ALL FORCES OPPOSED TO THE SOVIETS. THEY HAVE LATELY USED EVERY OPPORTUNITY TO URGE EUROPEAN LEADERS TO NAINTAIN SOLIDARITY WITH THE U.S. AND INCREASE DEFENSE SPENDING. IN ADDITION, THEY ARE ENCOURAGING JAPAN AND THE WEST EUROPEAN GOVERNMENTS TO PLAY A ROLE IN THE MIDEAST PEACE PROCESS. AT THE SAME TIME, TH CHINESE ARE PRESSING WESTERN GOVERNMENTS, AND PARTICULARLY THE U.S., TO PROVICE STRONGER SECURITY GUARANTEES TO

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PAKISTAN IN ORDER TO ALLOW GREATER ASSISTANCE TO FLOW TO THE AFGHANS. CONCURRENTLY, CHINA IS ALERT TO OPPORTUNITIES TO IMPROVE ITS RELATIONS WITH INDIA. ALTHOUGH UNCERTAINTIES ABOUT MRS. GANDHI'S ORIENTATIO TOWARD THE USSR HAVE GIVEN THE CHINESE PAUSE. IN SOUTHEAST ASIA THE CHINESE HAVE HOVED BRISKLY AHEAD ON A NUMBER OF FRONTS IN ORDER TO CEMENT TIES WITH THE MON-INDOCHINESE STATES IN ORDER TO CONSTRUCT A UNITED FRONT AGAINST THE SOVIETS AND THE VIETNAMESE. IN PURSUIT OF THIS GOAL. THE CHINESE HAVE TRIED, WITH ONLY MINIMAL SUCCESS, TO REASSURE SOUTHEAST ASIAN GOVERNMENTS CONCERNING THE PRC'S ATTITUDE TOWARD REGIONAL COMMUNIST PARTIES AND, IN THE CASE OF BURMA, HAVE UNDERTAKEN A BOLD INITIATIVE TO PROMOTE DIRECT TALKS BETWEEN THE RULING BURNESE PARTY AND THE CONHUNIST INSURGENTS (A MODEL WHICH THE PRC HOPES WILL BE ENULATED ELSEWHERE IN SOUTHEAST ASIA, BUT ONE WHICH APPEARS TO HAVE LITTLE APPEAL FOR THSE GOVERNMENTS). ON THE GOVERNMENTAL LEVEL. THE PRC HAS DISPLAYED FLEXIBILITY IN ITS

CONFIDENTIAL

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#### CONFIDENTIAL

CONFIDENTIFL

PAGE 01 BEIJIN 90190 03 OF 04 070806Z ACTION EA-12

INFO OCT-01 EUR-12 NEA-06 ADS-00 CIAE-00 DODE-00 PH-07 H-01 INR-10 NSAE-00 NSC-05 PA-01 SP-02 SPRS-02 \$\$-1\$ ICA-11 AIT-02 10-14 TRSE-00 /101 W 

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CONFIGENTIAL SECTION 3 OF 4 BEIJING 0190

APPROACH TO AN INDOCHINESE SETTLEMENT IN AN EFFORT TO KEEP IN STEP WITH THE ASEAN STATES, AND IT ALSO PASSED A NEW NATIONALITY LAW IN, AN EFFORT TO DEHONSTRATE ITS DETERMIKATION NOT TO EXPLOIT ETHNIC CHINESE COMMUNITIES IN THESE COUNTRIES.

10. IN NORTHEAST ASIA, THE PRC CONTINUES TO ENCOURATE GREATER JAPANESE DEFENSE SPENDING WHILE MOVING TO ENHANCE ITS OWN CONSULTATIONS WITH TOKYO ON VARIOUS LEVELS. ON KOREA, AND THE CHINESE HAVE TAKEN STEPS TO REASSURE BOTH JAPAN AND THE THE UNITED STATES CONCERNING ITS COMMITMENT TO THE PRESERVATION OF STABILITY ON THE PENINSULA, EVEN THOUGH IT HAS NOT CONFIDENTIAL

PAGE 02 BEIJIN 00190 03 OF 04 070806Z

ABANDONED ITS TOKEN SUPPORT FOR WITHDRAWAL OF U.S. FORCES FROM SOUTH KOREA( IT SQUARES THESE TWO ASPECTS

#### CONFIDENTIAL

OF ITS APPROACH BY ARGUING THAT U.S. TROOP WITHDRAWALS FROM KOREA NEED MOT BE DESTABLIZING SINCE THE U.S. WILL RETAIN THE CAPABILITY TO REINTRODUCE THESE FORCES RAPIDLY IF NEEDED FROM BASES IN JAPAN). FINALLY, THE CHINESE HAVE FOLLOWED WITH INTEREST THE DIALOGUE OVER THE FORMATION OF A PACIFIC BASIN COMMUNITY -- AN INTEREST CLEARLY FOUNDED ON THE POSSIBILITY THAT THIS CONCEPT CGULD HAVE UTILITY IN CONTAINING SOVIET INROADS IN THE REGION.

11. ANOTHER IMPORTANT ASPECT OF CHINA'S CURRENT GEOPOLITICAL ASSESSMENT IS ITS POSITIVE REEVALUATION OF THE WILL AND ABILITY OF THE U.S., TO MAINTAIN A STRATEGIC NUCLEAR BALANCE WITH THE SOVIETS: TO COUNTER SOVET DEPLOYMENTS IN EUROPE AND ELSEWHERE; AND TO RESPOND TO SOVIET EXPANSIONISM. THE CHINESE HAVE PERCEIVED A MAJOR TURN-AROUND IN U.S. DECISIONS TO PROCEED WITH THE MX HISSILE DEPLOYMENT AND THEATER NUCLEAR FORCES IN EUROPE. AND WITH SUBSTANTIALLY INCREASED OVERALL DEFENSE SPENDING. IN ADDITION, THE STRONG U.S. REACTION TO THE AFGHANISTAN INVASION AND THE U.S. BUILDUP IN THE INDIAN OCEAN HAVE HAD A MAJOR IMPACT ON CHINESE CALCULATIONS. BEIJING IS CLEARLY HOPEFUL THAT THE ADVENT OF A NEW REPUBLICAN ADMINIS-TRATION IN WASHINGTON WILL FURTHER HARDEN U.S. POLICY TOWARD THE SOVIET WHICH AND DIMINISH PROSPECTS FOR U.S. SOVIET RAPPROCHEMENT.

12. AS A RESULT OF THESE DEVELOPMENTS, THE PRC NOW DEFINES ITS RELATIONSHIP WITH THE U.S. AS LONG TERM AND STRATEGIC. THIS ATTITUDE HAS BEEN REFLECTED IN CONFIDENTIAL

PAGE 03 BEIJIN 00190 03 0F 04 070806Z

CHINA'S UNABASHED INTEREST IN OBTAINING U.S. DEFENSE TECHNOLOGY AND DEVELOPING A RELATIONSHIP WITH THE U.S. DEAFENSE ESTABLISHMENT. WHILE THE PRC HAS NOT HESITATED SHARPLY TO CHALLENGE ANY U.S. ACTIONS OR STATEMENTS RELATING TO TAIWAN THAT IT CONSIDERS INCOMPATIBLE WITH THE TREMS OF NORMALIZATION. IN OTHER RESPECTS THRERR HAS BEEN NO SERIOUS PRC CRITICISM OF U.S. POLICY ANYWHERE IN THE WORLD OVER THE PAST YEAR.

13. AS SEEN IN FOREIGN HINISTER HUANG HUA'S SECPTEMBER 24, 1980 UNGA SPEECH, PRC SPOKESMEN IN

CONFIDENTIAL

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#### CONFIDENTIAL

DEFINING THE GLOBAL SCENE HAVE QUIETLY ABANDONED THE THREE WORLDS MODEL. INSTEAD, THE CHINESE INCREASINGLY SPEAK SIKPLY OF THE HEED FOR A BROAD UNITED FRONT INCLUDING THE U.S., CHINA AND ALL OTHER STATES OPPOSED TO SOVIET EXPANSIONISM, WITHOUT INVIDIOUS COMPARISONS AMONG THE ANTI-SOVIET FORCES. IN SUCH FORA AS THE SPECIAL UNGA BESSION ON NORTH/SOUTH ISSUES AND THE RECENT UNGA DEBATE ON INTERNATIONAL COOPERATION AND DEVELOPMENTS PRC SPOKESMEN HAVE ALSO TAKEN A REASONED AND NON-POLEMICAL POSITION, REFLECTING CHINA'S COMMITMENT TO COOPERATION WITH THE FREE MARKET ECONONSFA AND ITS STAKE IN A STABLE ECONOMIC ORDER.

THE PRC STILL IDENTIFIES ITSELF AS A PROMINENT MEMBER OF THE THIRD WORLD, BUT CLEARLY IN THE MODERATE A WING. SHARP CONTRADICTIONS EXIST IN ITS RELATIONS WITH VARIOUS THIRD WORLD COUNTRIES, AND MORE AND MORE THE PRC IS DRAWING A SHARP LINE BETWEEN PRO AND ANTISOVIET FORCES IN THE THIRD WORLD. LIBYA, SYRIA, ETHIOPIA, SOUTH YEMEN AND ANGOLA ARE NOW CAST WITH CUBA AND VIETNAM AS SOVIET SATELLITES OR HENCHMEN. DURING THE PAST YEAR, THE PRC SIGNALED THAT IT HAD GIVEN UP HOPE FOR THE TIME BEING THAT THE PRESENT VIETNAMESE OR LAOTIAN GOVERNHENTS MIGHT MODIFY THEIR ALIGNMENT WITH MOSCOW, AND IT ESCALATED ATTENTION TO CONFIDENTIAL

PAGE 04 BEIJIN 00190 03 OF 04 0708062

RESISTANCE HOVEHENTS IN BOTH COUNTRIES.

IS. IN A BROAD SENSE, THE PRC PROJECTS TO ITS OWN PEOPLE AND TO THE INTERNATIONAL AUDIENCE AN IMAGE OF CHINA AS A FOURTH WORLD F ITS OWN, ONE WHICH HAS SPECIAL INTERESTS WITH THE DEVELOPING WORLD AND IDEOLOGICAL AFFINITY FOR MARXISM AND SOCIALISM, BUT WHICH, BECAUSE OF ITS GLOBAL, REGIONAL AND ECONOMIC INTERESTS, SHARES A COMMON STRATEGIC APPROACH WITH WESTERN EUROPE, THE U.S., AND JAPAN. THE INDISTRMALLY

CONFIDENTIAL

#### CONFIDENTIAL

CONFIDENTIAL

PAGE 01 BEIJIN 00190 04 0F 04 070825Z ACTION EA-12

INFO OCT-01 EUR-12 NEA-06 ADS-00 CIAE-00 DODE-00 PM-07 H-01 INR-10 NSAE-00 NSC-05 PA-01 SPRS-02 SP-02 SS-15 ICA-11 AIT-02 IO-14 TRSE-00 /101 N

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CONFIDENTIAL SECTION 4 OF 4 BEIJING 0190

ADVANCED COUNTRIES AND HODERATE THIRD WORLD NATIONS, IN THE CHINESE VIEW, HUST NOW UNITE WITH THE U.S. (AND VICE VERSA) AGAINST THE SOVIET THREAT. BEYOND THIS, THE CHINESE SEEM TO FEEL NO COMPULSION TO DEVELOP A MORE IDEO, LOGICAL WELTANSHAUUNG.

16. THE CHINESE HAVE ALSO ALTERED THEIR APOCALYPTIC VISION OF THE PROSPECTS OF A GENERAL WORLD WAR. BEIJING SPOKESMEN NOW SAY THAT IF AN ANTI-SOVIET UNITED FRONT CAN COALESCE, WAR CAN BE AVOIDED. IN A NEW YEAR'S DAY ARTICLE, THE VICE PRESIDENT OF THE CHINESE ACADEMY OF SOCIAL SCIENCES, HUAN XIANG, CONFIDENTIAL

PAGE 02 BEIJIN 00190 04 0F 04 070825Z

ASSERTED THAT A PESSIMISTIC OUTLOOK "IS UNFOUNDED."

17. IN STRATEGIC TERMS, CHINESE LEADERS APPEAR TO SEE CONFIDENTIAL

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THE PRO OVER THE NEXT DECADE, AND PROBABLY BEYOND, AS ESSENTIALLY A REGIONAL MILITARY POWER CONTRIBUTING SINGIFICANTLY TO A WORLD BALANCE. THE PRO BELIEVES THAT BE TYING DONE 45 SOVIET DIVISIONS AND A HALF MILLION VIETNAMESE TROOPS, AND BY ITS COSTLY SUPORT FOR PAKISTAN, IT IS HAKING A SIGNIFICANT CONTRIBUTION TO THE CONTAINMENT OF THE USSR. AT THE SAME TIME, BEIJING RECOGNIZES THAT GLOBAL EQUILIBRIUM DEPANDS IN LARGE PART FOR ITS STABILITY UPON U.S. POWER AND MILL, AND THE VIABILITY OF U.S. ALLIANCES IN ASIA AND EUROPE.

18. SELF-SUFFICIENCY IN ITS DEFENSE AND ECONOMY, HOWEVER, REMAINS A BASIC PRC NATIONAL POLICY. THE PULLBACK GYER THE PAST TWO TEARS FROM OVEREXTENDED COMMITMENTS FOR IMPORT OF GAPITAL GOODS REFLECTS THE TRADITIONAL POLICY OF AVOIDING EXCESSIVE FOREIGN DEBT AND LOSS OF ECONOMIC INDEPENDENCE. AT THE SAME TIME, THE PRC EETAINS A CREDIBLE-EVEN IF OUTDATED CAPABILITY TO DEAL WITH SOVIET MILITARY THREATS TO CHINA, INCLUDING A NUCLEAR FORCE DE FRAPPE, AN ENORHOUS, MOSTLY RURAL POPULATION, UNLIMITED MILITARY MANPOWER, EXTENSIVE TERRITORY, AND SOVIET FEAR OF A QUAGNIRE.

19. DESPITE CHINA'S GROWING STRESS ON A COMMUNITY OF STRATEGIC AND ECONOMIC INTERESTS WITH THE WEST AND WITH THE U.S. IN PARTICULAR, THE BROAD UNITED FRONT POLICY IS NOT SET IN CONCRETE. IF THE PRAGMATIC DEVELOPMENT PULICY DRAMATICALLY FAILS WITHIN CHINA, A NEW LEADERSHIP MIGHT STRIKE A MORE INDEPENDENT POSTURE. FOREIGN POLICY CONFIDENTIAL

PAGE 03 BEIJIN 00190 04 0F 04 070825Z

COULD ALSO CHANGE WITHOUT DIRECT REFERENCE TO DOMESTIC EVENTS IF IT SHOULD BE SEEN THAT THE POLICY WAS NOT SERVING CHINA'S INTERESTS OR THAT ITS BASIC ASSUMPTIONS WERE NO LONGER VALID. SOVIET CONSOLIDATION OF THEIR POSITION IN AFGHANISTAN AND A SIMILAR VIETNAMESE SUCCESS IN KAMPUCHEA WOULD STRAIN THE CREDIBILITY OF THE CURRENT POLICY, ESPECIALLY IF THESE SOVIET GAINS WERE SEEN AS A RESULT OF A LACK OF WILL ON THE PART OF THE U.S.

20. FINALLY, CHINA'S INTEREST IN A COOPERATIVE RELATIONSHIP WITH THE U.S. COULD BE DAMAGED IF BEIJING PERCEIVES THAT SINO-U.S. DIFFERENCES ON ISSUES SUCH.

#### CONFIDENTIAL

AS TAIMS AND INDOCHINA ARE NOT BEING HANDLED WITH CLOSE CONSULTATION AND A MUTUAL UNDERSTANDING OF THE OTHER'S MATIONAL INTERESTS. IF WHOULD BE REMEMBERED TRAT ONE OF THE ORIGINAL FACTORS IN CHINA'S SPLIT WITH THE USSRGD WAS BEIJING'S BELIEF THAT MOSKOW WAS TAKING POSITIONS UNILATERALLY ON ISSUES AFFECTING THE PRC'S VITAL INTERESTS SUCH AS DETENTE WITH THE AMERICAN "IMPERIALISTS." THE SINO-INDIAN BORDER CONFLICT, AND THE QUENCY CRISIS OF 1958.

21. THE CHINESE, PARTICULARLY AT THIS TIME, DO NOT SEEM TO BELIEVE THAT U.S. WILLINGNESS TO CONTAIN THE SOVIET UNION ON A GLOBAL BASIS IS FUNDAMENTALLY SHAPED BY SINO-U.S. RELATIONS. BY THE SAME TOKEN, CHINESE LEADERS INSIST THAT EVEN IF 'SINO-U.S. RELATIONS DETERIORATE, CHINA WILL CONTINUE TO OPPOSE SOVIET HEGEHONISM. BUT, THEY ARGUE, POLICIES THAT DAMAGE CLOSE COOPERATION BETWEEN THE PRC AND THE U.S. ARE INCONSISTENT WITH EFFECTIVE OPPOSITION TO THE SOVIETS.

22. IN SHORT, CONTINUED DEVELOPMENT OF A PRO-WESTERN LINE BY THE PRC WILL DEPEND ON A COMPLEX OF DOMESTIC FACTORS, THE DYNAMICS OF U.S. SOVIET RELATIONS, OUR POLICY TOWARD TAIWAN, AND THE COURSE OF WORLD POLITICS. CONFIDENTIAL

PAGE 04 BEIJIN 00190 04 0F 04 0708257

HOWEVER UNPREDICTABLE THESE EVENTS MAY BE. THE PRESENT CHINESE LEADERS APPEAR TO BE SEEKING A LONG TERM UNITED FROMT WITH THE U.S. BASED ON COMMON INTERESTS AND A MUTUAL REGARD FOR EACH OTHER'S VITAL INTERESTS."

CONFIDENTIAL

11